



USDA BROILER MARKET NEWS REPORT

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NATIONAL BROILER MARKET AT-A-GLANCE



Majority prices were higher in the West, but mostly unchanged in all other areas. Trade sentiment was fully steady to firm in the West, but mostly steady elsewhere. Retail demand was light to moderate, best where featured. Food service was light to good, best into fast food channels for promotions. Supplies of all sizes were usually sufficient to satisfy trade needs. In the parts structure, movement was at fair to fairly good. Breast items were in good balance to tight, wings were available, and dark meat was adequate to well cleared. In production areas, live supplies were moderate at weights in a full range.

Final Report of prices negotiated for trucklot sales of ready-to-cook ice-packed broiler/fryers (includes branded product) to be delivered to first receivers at major market centers week of 05-FEB-2007 (cents per lb)

| AREAS | US GRADE A | | COMPOSITE | |
|--------------------|-------------|---------|-----------|---------|
| | MAJORITY | WTD AVG | LOADS | WTD AVG |
| Boston/New England | TFEWR | | : | 68.73 |
| Chicago | 65.00-68.00 | 68.36 | 35 : | 68.82 |
| Ohio Cities | TFEWR | | : | 69.43 |
| Denver | 79.50 | 79.50 | 13 : | 80.18 |
| Detroit | 68.00-69.00 | 69.78 | 9 : | 70.11 |
| Los Angeles | 80.00 | 79.40 | 60 : | 78.94 |
| New York | 68.00-71.00 | 70.26 | 23 : | 70.28 |
| Philadelphia | 67.50-69.00 | 68.80 | 10 : | 68.50 |
| Pittsburgh | 67.00-70.00 | 69.55 | 11 : | 71.71 |
| St. Louis | 68.00-68.25 | 67.61 | 20 : | 68.02 |
| San Francisco | 80.50 | 80.76 | 31 : | 83.74 |

Composite Weighted Average

| | | | | |
|-------|----------|----------------|----------|----------|
| Loads | 02/05/07 | Change Last Wk | 01/29/07 | 02/06/06 |
| 510 | 73.08 | .50 | 72.58 | 62.9466 |

WOG BROILERS (without giblets) - prices paid per lb delv'd to first receivers in trucklot and less than trucklot quantities.

| REGIONS | Majority | Wtd Avg | Loads |
|------------------------------------|-------------|---------|-------|
| Eastern | 71.00-73.00 | 71.44 | 32 |
| Central | 67.00-74.00 | 69.83 | 70 |
| Western | 73.00-76.00 | 74.86 | 40 |
| Southeast Area FOB Dock Equivalent | | | |
| Mississippi | 72.00-74.00 | 72.52 | 89 |

GEORGIA F.O.B. DOCK PRICES Georgia f.o.b. dock quoted price on broilers/fryers for this week's trading is 72.50 cents based on ice-packed USDA grade "A" sized 2 1/2 to 3 pound birds.

MONDAY FINAL WTD AVG

| LOADS | RANGE | FOB DOCK OR EQUIVALENT |
|--|-------------|------------------------|
| 1,090 | 63.00-74.00 | 71.49 |
| The Georgia f.o.b. dock confirmed final weighted average prices on ice packed parts: | | |
| LINE RUN TENDERS | WTD AVG | VOLUME |
| BREASTS - B/S | 176.50 | 1,383 |
| BREASTS - WHOLE | 148.50 | 5,775 |
| THIGH MEAT - B/S | 94.00 | 1,412 |
| LEG QUARTERS | 98.50 | 1,140 |
| WINGS | 36.50 | 9,086 |
| | 134.50 | 2,712 |

THIS INFORMATION IS SUPPLIED BY THE GEORGIA DEPARTMENT OF AGRICULTURE'S POULTRY MARKET NEWS SERVICE.

NORTHEAST REGION BROILER/FRYER Trucklot buying activity on ready-to-cook whole broiler/fryers ranged fair to good following weekend. Offerings of all sizes were adequate to well cleared. Movement through retail and distributive channels was mostly fair to moderate, best where feature activity was planned or in progress. The market tone was steady to instances firm. In the parts complex, tenders and most leg cuts were well cleared to tight; breast items were clearing satisfactorily. Wings were generally sufficient for current needs.

SOUTHERN REGION BROILER/FRYERS Trade sentiment was mostly steady. Demand into all channels following the weekend was fair to moderate, best for active ads, first of the month activities, and fast food promotions. Supplies of all sizes were usually sufficient to satisfy trade needs. In the parts structure, movement was moderate to good. Breast items were no more than adequate to tight and moving well, and wings were sufficient and continued to clear. Dark meat was adequate to well cleared, aided by further processing and export needs. In production areas, live supplies were moderate. Weights were desirable to heavy, but mostly desirable.

WESTERN REGION BROILER/FRYERS The final majority prices up 1 cent in all areas. Trade sentiment was steady to fully steady. Trading reported at higher prices for regular commitments and unchanged to slightly higher on new negotiations. Offerings were generally adequate. Buying activity decreased. Retailer demand was moderate. Dealers reported desirable weekend carryovers. The market tone was steady to firm on parts. Trading reported on parts at 38-45 for leg quarters, leg meat 93-96, thigh meat 100-106, drumsticks 43-57, whole legs 52-53, breasts with ribs attached 86-112, boneless breast 132-137 and wings 130-139. The Los Angeles negotiated WOG weighted average was 73.33 up .03 with the volume reported at 30 loads unchanged from previous week's level.

MIDWEST REGION BROILER/FRYER Final majority prices into major markets were generally unchanged over last Monday's final; Ohio cities TFEWR. Whole broiler/fryer market tone was steady. Offerings and trade inquiry were light, with lighter weight birds short of needs. Retail was light to moderate, instances good on refill. Food service demand was light to good, best into fast food and sports bars. Floor stocks were in a full range; weights desirable to heavy. Parts trade was light to moderate with most buyers keeping close on inventories. The market tone was steady to fully steady on all parts.

DELMARVA BROILER/FRYERS Movement of ready-to-cook whole birds was moderate to good for early week business. Seller offerings were in close balance to well cleared. Live supplies were moderate; weights were mostly desirable to a little light. Processing schedules were moderately heavy. Less than trucklot asking prices were unchanged at 69 to 79 cents. Trade sentiment was steady to firm. In the parts complex, wings were balanced, breast and tenders were clearing easily, and dark meat items were short to very good balance.

*BROILER/FRYER CURRENT NEGOTIATED PRICES FOR IMMEDIATE DELIVERY INCLUDES MOSTLY MULTIPLE-DROP SHIPMENTS OF BRANDED AND WING TAGGED TO NEW YORK CITY FROM DELMARVA

BRANDED U.S. GRADE A

| | |
|--|-------|
| RANGE | 64-80 |
| WEIGHTED AVERAGE | (A) |
| NO. OF BOXES | (A) |
| (A) Not reported to avoid disclosing individual operations | |

NORTHEAST BROILER/FRYER PARTS Trucklot buying interest was noted as mostly moderate as dealers assess market conditions following Super Bowl week. Offerings of breast items and tenders were in close balance to tight. Wings were at least sufficient for current needs. Leg cuts were in good balance and clearing satisfactorily. Movement through retail and distributive channels was moderate. The market tone was firm for tenders; fully steady to firm for breast items and leg cuts.

ICE PACKED BROILER/FRYER PARTS, DELIVERED TO FIRST RECEIVERS IN POOL TRUCKLOT AND TRUCKLOT QUANTITIES, CENTS PER POUND

| ITEM | CURRENT NEGOTIATED TRADING | WTD AVG | VOLUME /LBS |
|----------------------------|-------------------------------|------------|----------------|
| BREAST - B/S | 145-150 | 136.61 | 626,927 |
| TENDERLOINS | 155 | 140.54 | 182,960 |
| BREAST - WITH RIBS | 90-91 | 101.08 | 37,640 |
| BREAST - LINE RUN | 90 | 92.13 | 82,680 |
| LEGS | 51-52 | 50.33 | 86,640 |
| LEG QUARTERS (BULK) | 37-38 | 35.31 | 354,800 |
| DRUMSTICKS | 42-43 | 42.22 | 107,640 |
| THIGHS | 44-45 | 48.05 | 36,760 |
| B/S THIGHS | 100-101 | 97.45 | 127,000 |
| WINGS (WHOLE) | 129-130 | 126.80 | 245,000 |
| BACKS AND NECKS (STRIPPED) | 10-12 | 11.09 | 15,560 |
| LIVERS (5 POUND TUBS) | 35-40 | 37.28 | 5,480 |
| GIZZARDS (HEARTS) | 45-50 | 43.64 | 21,600 |

INCLUDES NEW YORK CITY METROPOLITAN AREA, NORTHERN NEW JERSEY, MASSACHUSETTS, CONNECTICUT, RHODE ISLAND, AND PENNSYLVANIA (NORTHEAST OF HARRISBURG).

* TODAY'S NEGOTIATED SALES AS OF 11:30 A.M.

** WTD AVG PRICE OF ALL GRADES AND BRANDS OF PRODUCT SHIPPED, OR TO BE SHIPPED AS OF 1:30 P.M.

ARKANSAS BROILER/FRYER PARTS F.O.B. DOCK OR EQUIVALENT, ICED-PACKED, PRICES SHOWN ARE DAY OF SHIPMENT (INCLUDES CURRENT AND PRIOR NEGOTIATIONS), TRUCKLOT AND LESS THAN TRUCKLOT VOLUME, CENTS PER POUND.

| ITEM | LBS (000) | RANGE | MAJORITY | WT. AVG |
|---------------------|-------------------|---------------|----------|------------|
| BREAST - B/S | 1,902 | 125.00-198.00 | 131-138 | 134.25 |
| TENDERLOINS | 364 | 138.00-223.00 | 143-149 | 145.30 |
| BREAST - WITH RIBS | TOO FEW TO REPORT | | | |
| FRONT HALVES | TOO FEW TO REPORT | | | |
| LEGS | TOO FEW TO REPORT | | | |
| LEG QUARTERS (BULK) | 1,279 | 33.00-36.00 | 34-35 | 34.58 |
| LEG QUARTERS (4/10) | 1,253 | 34.00-39.00 | 35-36 | 36.17 |
| WINGS (WHOLE) | TOO FEW TO REPORT | | | |
| DRUMSTICKS | TOO FEW TO REPORT | | | |
| THIGHS | 1,324 | 38.00-44.00 | 44 | 43.70 |

ESTIMATED SLAUGHTER OF BROILER-FRYERS (IN THOUSANDS)

| | ESTIMATE | ACTUAL | AVG WTS | ACTUAL | AVG WTS |
|----------------|------------|--------|---------|------------|---------|
| | 02/05 | 02/01 | 02/01 | 01/29 | 01/25 |
| Alabama | 3,846 | 3,505 | 5.39 | 3,526 | 5.40 |
| Arkansas | 5,192 | 3,996 | 4.83 | 5,057 | 5.00 |
| Delmarva | 2,166 | 2,221 | 5.62 | 2,251 | 5.66 |
| KY-LA-TN | 2,340 | 2,289 | 4.95 | 2,204 | 5.01 |
| Mississippi | 2,741 | 2,929 | 5.65 | 2,869 | 5.64 |
| North Carolina | 2,713 | 2,421 | 6.81 | 2,600 | 6.80 |
| Texas | 2,489 | 2,481 | 5.20 | 2,430 | 5.11 |
| Total | 21,487 | 19,842 | 5.44 | 20,937 | 5.46 |
| Mon | 21,487 (A) | | | 20,937 (A) | |

(A) Weekly cumulative for states listed above.

Broiler-fryer slaughter under federal inspection for 05-Feb 2007 is estimated to be 32,147,000 up 2.32 percent from a week ago, and up 0.2 percent from a year ago.

(last week 31,418,000 last year 32,085,000)

SOUTHERN STATES BROILER/FRYER PARTS F.O.B. DOCK OR EQUIVALENT, ICED-PACKED, PRICES SHOWN ARE DAY OF SHIPMENT (INCLUDES CURRENT AND PRIOR NEGOTIATIONS), TRUCKLOT AND LESS THAN TRUCKLOT VOLUME, CENTS PER POUND.

| ITEM | POUNDS (000) | RANGE | MAJORITY | WTD AVG |
|---------------------|-------------------|---------------|----------|------------|
| BREAST - B/S | 580 | 128.00-205.00 | - | 144.26 |
| TENDERLOINS | 288 | 149.00-212.00 | - | 162.22 |
| BREAST - LINE RUN | 110 | 91.00-99.00 | 92-94 | 92.82 |
| FRONT HALVES | TOO FEW TO REPORT | | | |
| LEGS | 208 | 48.00-55.00 | 51 | 50.96 |
| LEG QUARTERS (BULK) | 600 | 32.00-38.00 | 36-37 | 36.20 |
| LEG QUARTERS (4/10) | 817 | 36.00-40.00 | 38 | 37.63 |
| WINGS (WHOLE) | 295 | 122.00-134.00 | - | 126.14 |
| WINGS (CUT) | 330 | 136.00-149.00 | 142-145 | 143.55 |
| DRUMSTICKS | TOO FEW TO REPORT | | | |
| THIGHS | TOO FEW TO REPORT | | | |
| B/S THIGHS | TOO FEW TO REPORT | | | |

WHOLE BODY INDEX BASED ON SOUTHERN STATES PARTS

TRADING FOR FEBRUARY 5, 2007 — F.O.B. DOCK.

| RANGE | TODAY'S AVERAGE | 5-DAY AVERAGE |
|---------------|-----------------|---------------|
| 57.00 - 61.50 | 59.85 | 58.08 |

The Index is intended solely as an indicator of values for commodity-type product and does not represent industry's willingness to sell or ability to buy.

MIDWEST REGION BROILER/FRYER PARTS ICE-PACKED POOL TRUCKLOT AND TRUCKLOT QUANTITIES DELIVERED TO: IL, IN, IA, KS, MI, MN, MO, NE, ND, OH, SD, AND WI WEEK OF 05-FEB-TO 09-FEB-2007

Price (Cents) Per Lb. Mostly

| | | |
|----------------------------|-----------------|-----------------|
| BREAST - B/S | 122.00 - 144.00 | 131.00 - 136.00 |
| BREAST - LINE RUN | 84.00 - 105.00 | 90.00 - 100.00 |
| LEGS | 49.00 - 57.00 | - |
| LEG QUARTERS (BULK) | 29.00 - 39.00 | 35.00 - 37.00 |
| LEG QUARTERS (4/10) | 33.00 - 41.00 | 37.00 - 39.00 |
| DRUMSTICKS | 32.00 - 53.00 | - |
| THIGHS | 34.00 - 50.00 | - |
| WINGS (WHOLE) | 121.00 - 143.00 | 132.00 - 138.00 |
| BACKS AND NECKS (STRIPPED) | 14.00 - 23.00 | - |
| LIVERS | 30.00 - 47.00 | - |
| GIZZARDS (HEARTS) | 40.00 - 47.00 | - |

SOUTHERN CALIFORNIA (L.A. AREA) PROCESSED POULTRY, DELIVERED TO RESTAURANTS AND INSTITUTIONS

| | RANGE |
|----------------------------------|------------|
| WOGS 2# & UP - WHOLE | 85-103 |
| WOGS 2# & UP - CUT UP 8&9 PIECES | 88.5-105.5 |
| FROZEN HENS 5# & UP | |
| FROZEN DUCKS | |
| FROZEN SQUABS | |

DELIVERED TO RETAILERS IN SOUTHERN CALIFORNIA (L.A. AREA)

| | |
|----------------------------|--------|
| FRESH FRYERS | 91-100 |
| ROASTERS 4# & UP | 99-108 |
| HENS UNDER 5# HENS OVER 5# | 65-74 |
| DUCKS | |
| RABBITS-WHOLE | |
| RABBITS-CUT UP | |

SAN FRANCISCO PROCESSED POULTRY

DELIVERED TO RESTAURANTS AND INSTITUTIONS

| | RANGE |
|------------------|------------------|
| FRESH FRYERS | ICE PACK 93-105 |
| | DRY PACK 110-114 |
| ROASTERS 4# & UP | ICE PACK 98-98 |
| | DRY PACK 111-118 |
| HENS OVER 5# | ICE PACK 86-100 |
| | DRY PACK 100-107 |
| DUCKS | 190-195 |

EASTERN REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

| FEBRUARY 02, 2007 CHICKEN WITH SKIN ADDED — PRICES — VOLUME — (Cents per Pound) | | | | |
|---|-------------|-------------|-----------|---------|
| FAT CONTENT | FROZEN | FRESH | TOTAL | EXPORT |
| 15% OR LESS | 16.50 | 17.00-18.00 | 584,000 | 262,000 |
| WTD AVERAGE | 16.50 | 17.25 | | |
| 15-20% RANGE | 15.00-21.00 | 11.00-16.00 | 1,552,000 | 910,000 |
| WTD AVERAGE | 17.41 | 13.65 | | |
| 20% OR MORE RANGE | - | 14.00 | 120,000 | - |
| WTD AVERAGE | | 14.00 | | |

*INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

CENTRAL REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

| FEBRUARY 02, 2007 CHICKEN WITH SKIN ADDED — PRICES — VOLUME — (Cents per Pound) | | | | |
|---|-------------|-------------|-----------|---------|
| FAT CONTENT | FROZEN | FRESH | TOTAL | EXPORT |
| 15% OR LESS RANGE | - | 17.00 | 61,200 | - |
| WTD AVERAGE | | 17.00 | | |
| 15-20% RANGE | 14.00-17.50 | 11.00-16.00 | 2,422,000 | 894,400 |
| WTD AVERAGE | 14.61 | 12.29 | | |
| 20% OR MORE RANGE | - | - | - | - |
| WTD AVERAGE | | | | |

*INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

SOUTHEAST HEAVY LIVE HEN Prices were generally unchanged when compared to the previous week. Offerings were noted as fair to moderate for the generally adequate offerings of spent hens. Processing schedules were noted as normal. Sales of finished product was moderate. The undertone was steady to at least steady.

HEAVY TYPE HENS (7 POUNDS AND UP) *

FINAL PRICE, CENTS PER LB., GENERALLY FOR SLAUGHTER THE WEEK OF 05-FEB-07

| | RANGE | MAJORITY | WTD AVG |
|--------------------------|-------------------|----------|------------|
| AT FARM BUYER LOADING | 4-8 | | 6.42 |
| AT FARM PRODUCER LOADING | TOO FEW TO REPORT | | |
| FOB PLANT | TOO FEW TO REPORT | | |

*WEIGHTS UNDER 7 LBS. SUBJECT TO DISCOUNT.

SOUTH CENTRAL HEAVY LIVE HEN Prices were unchanged to higher compared to the past week. Demand was moderate for fully adequate offerings of spent hens. Schedules were reduced. Sales of dressed product were light. Trade sentiment was generally steady.

HEAVY TYPE HENS (7 POUNDS AND UP) *

PRELIMINARY PRICE, CENTS PER LB., GENERALLY FOR SLAUGHTER THE WEEK OF 05-FEB-07

| | RANGE | MAJORITY | WTD AVG |
|-----------------------|----------|----------|------------|
| AT FARM BUYER LOADING | 3.75-8.5 | | 6.20 |

*WEIGHTS UNDER 7 LBS. SUBJECT TO DISCOUNT.

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